



**STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
STATE CAPITOL
NASHVILLE, TENNESSEE 37243-0285**

LARRY B. MARTIN
COMMISSIONER

FOR IMMEDIATE RELEASE
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SEPTEMBER REVENUES

NASHVILLE - Overall September revenues were under the budgeted estimates in Tennessee, although sales taxes continue to show modest growth. Finance and Administration Commissioner Larry Martin reported today that overall September revenues were \$1.1 billion, which is 5.22% below the budgeted estimate.

"The sales tax is the 'bread and butter' of revenue collections in Tennessee, and it's our leading economic indicator," Martin said. "September sales tax collections continued to reflect modest growth consistent with a sluggish economy."

"With uncertainty surrounding resolution of the federal budget, and national economic indicators that continue to reflect mixed results, we are required to continue close scrutiny of revenues and expenditures for the balance of this fiscal year. We will maintain a balanced budget and conservatively manage the state's spending."

On an accrual basis, September is the second month in the 2013-2014 fiscal year.

September collections were \$59.0 million less than the budgeted estimate. The general fund was under collected by \$62.1 million and the four other funds were over collected by \$3.1 million.

Sales tax collections were \$1.9 million less than the estimate for September. The September growth rate was positive 3.50%.

Franchise and excise taxes combined were \$65.6 million below the September budgeted estimate of \$342.7 million. The September growth rate was negative 10.37%.

Gasoline and motor fuel collections for September increased by 4.82% and were \$2.2 million above the budgeted estimate of \$69.6 million.

Tobacco tax collections for the month were under collected by \$1.7 million, and the growth rate was negative 4.97%.

Privilege tax collections were \$0.3 million less than the budgeted estimate of \$20.0 million.

Inheritance and estate tax collections were \$5.3 million above the budgeted estimate.

All other taxes were over collected by a net of \$3.0 million.

Year-to date collections for two months were \$83.3 million less than the budgeted estimate. The general fund was under collected by \$82.9 million and the four other funds were under collected by \$0.4 million.

The budgeted revenue estimates for 2013-2014 are based on the State Funding Board's consensus recommendation of December 19th, 2012 and adopted by the first session of the 108th General Assembly in April 2013. They are available on the state's website at <http://www.tn.gov/finance/bud/Revenues.shtml>.

Table 1
Revenue Collections by Fund
September
2013-2014

Fund	2013				2012	2013	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
General Fund	\$908,238,000	\$970,345,000	(\$62,107,000)	-6.40%	\$918,971,000	(\$10,733,000)	-1.17%
Highway Fund	56,980,000	56,136,000	844,000	1.50%	53,699,000	3,281,000	6.11%
Sinking Fund	34,214,000	34,239,000	(25,000)	-0.07%	33,379,000	835,000	2.50%
City & County Fund	69,675,000	67,391,000	2,284,000	3.39%	69,161,000	514,000	0.74%
Earmarked Fund	2,899,000	2,900,000	(1,000)	-0.03%	2,901,000	(2,000)	-0.07%
Total	\$1,072,006,000	\$1,131,011,000	(\$59,005,000)	-5.22%	\$1,078,111,000	(\$6,105,000)	-0.57%

Revenue Collections by Tax
September
2013-2014

Tax Source	2013				2012	2013	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
Franchise & Excise	\$277,084,000	\$342,700,000	(\$65,616,000)	-19.15%	\$309,144,000	(\$32,060,000)	-10.37%
Income	1,533,000	1,256,000	277,000	22.05%	1,784,000	(251,000)	-14.07%
Inheritance & Estate	12,151,000	6,871,000	5,280,000	76.84%	7,373,000	4,778,000	64.80%
Gasoline	52,517,000	52,364,000	153,000	0.29%	51,938,000	579,000	1.11%
Petroleum Special	5,439,000	5,536,000	(97,000)	-1.75%	5,464,000	(25,000)	-0.46%
Tobacco	21,596,000	23,331,000	(1,735,000)	-7.44%	22,726,000	(1,130,000)	-4.97%
Beer	1,580,000	1,576,000	4,000	0.25%	1,673,000	(93,000)	-5.56%
Motor Vehicle Registration	19,655,000	20,483,000	(828,000)	-4.04%	19,083,000	572,000	3.00%
Motor Vehicle Title	1,011,000	1,069,000	(58,000)	-5.43%	890,000	121,000	13.60%
Mixed Drink	6,297,000	5,596,000	701,000	12.53%	5,551,000	746,000	13.44%
Business	9,937,000	9,955,000	(18,000)	-0.18%	9,409,000	528,000	5.61%
Privilege	19,677,000	19,999,000	(322,000)	-1.61%	20,676,000	(999,000)	-4.83%
Gross Receipts	209,000	161,000	48,000	29.81%	155,000	54,000	34.84%
TVA - In Lieu of Tax Payments	34,051,000	31,300,000	2,751,000	8.79%	35,750,000	(1,699,000)	-4.75%
Alcoholic Beverage	4,498,000	4,346,000	152,000	3.50%	4,476,000	22,000	0.49%
Sales and Use	590,715,000	592,600,000	(1,885,000)	-0.32%	570,755,000	19,960,000	3.50%
Motor Vehicle Fuel	13,825,000	11,653,000	2,172,000	18.64%	11,076,000	2,749,000	24.82%
Severance	216,000	201,000	15,000	7.46%	186,000	30,000	16.13%
Coin-operated Amusement	15,000	14,000	1,000	7.14%	2,000	13,000	650.00%
Unauthorized Substance	0	0	0	NA	0	0	NA
Total	\$1,072,006,000	\$1,131,011,000	(\$59,005,000)	-5.22%	\$1,078,111,000	(\$6,105,000)	-0.57%

Table 2
Revenue Collections by Fund
Year-to-Date
August - September
2013-2014

Fund	2013 - 2014				2012-2013	2013-2014	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
General Fund	\$1,589,349,000	\$1,672,239,000	(\$82,890,000)	-4.96%	\$1,578,492,000	\$10,857,000	0.69%
Highway Fund	113,152,000	113,559,000	(407,000)	-0.36%	107,589,000	5,563,000	5.17%
Sinking Fund	68,444,000	68,541,000	(97,000)	-0.14%	66,776,000	1,668,000	2.50%
City & County Fund	134,183,000	134,122,000	61,000	0.05%	134,255,000	(72,000)	-0.05%
Earmarked Fund	5,800,000	5,799,000	1,000	0.02%	5,799,000	1,000	0.02%
Total	\$1,910,928,000	\$1,994,260,000	(\$83,332,000)	-4.18%	\$1,892,911,000	\$18,017,000	0.95%

Revenue Collections by Tax
Year-to-Date
August - September
2013-2014

Tax Source	2013 - 2014				2012-2013	2013-2014	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
Franchise & Excise	\$308,740,000	\$389,500,000	(\$80,760,000)	-20.73%	\$344,588,000	(\$35,848,000)	-10.40%
Income	2,683,000	2,306,000	377,000	16.35%	2,865,000	(182,000)	-6.35%
Inheritance & Estate	20,817,000	14,878,000	5,939,000	39.92%	19,553,000	1,264,000	6.46%
Gasoline	103,166,000	106,314,000	(3,148,000)	-2.96%	103,969,000	(803,000)	-0.77%
Petroleum Special	10,621,000	10,986,000	(365,000)	-3.32%	10,775,000	(154,000)	-1.43%
Tobacco	44,904,000	47,101,000	(2,197,000)	-4.66%	47,496,000	(2,592,000)	-5.46%
Beer	3,198,000	3,062,000	136,000	4.44%	3,147,000	51,000	1.62%
Motor Vehicle Registration	41,879,000	41,106,000	773,000	1.88%	39,737,000	2,142,000	5.39%
Motor Vehicle Title	2,121,000	2,212,000	(91,000)	-4.11%	1,923,000	198,000	10.30%
Mixed Drink	11,766,000	11,414,000	352,000	3.08%	10,957,000	809,000	7.38%
Business	28,611,000	28,026,000	585,000	2.09%	26,749,000	1,862,000	6.96%
Privilege	43,935,000	40,009,000	3,926,000	9.81%	36,504,000	7,431,000	20.36%
Gross Receipts	12,032,000	14,319,000	(2,287,000)	-15.97%	11,395,000	637,000	5.59%
TVA - In Lieu of Tax Payments	61,348,000	58,597,000	2,751,000	4.69%	64,412,000	(3,064,000)	-4.76%
Alcoholic Beverage	8,662,000	8,204,000	458,000	5.58%	8,166,000	496,000	6.07%
Sales and Use	1,180,760,000	1,191,800,000	(11,040,000)	-0.93%	1,139,474,000	41,286,000	3.62%
Motor Vehicle Fuel	25,145,000	23,955,000	1,190,000	4.97%	20,827,000	4,318,000	20.73%
Severance	460,000	431,000	29,000	6.73%	346,000	114,000	32.95%
Coin-operated Amusement	80,000	40,000	40,000	100.00%	28,000	52,000	185.71%
Unauthorized Substance	0	0	0	NA	0	0	NA
Total	\$1,910,928,000	\$1,994,260,000	(\$83,332,000)	-4.18%	\$1,892,911,000	\$18,017,000	0.95%